



Ministry
of
Revenue

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Retail Sales
Tax Branch

Information Bulletin

Government
Publications

Retail Sales Tax Act

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SPECIAL ANNOUNCEMENT

TEMPORARY SALES TAX EXEMPTIONS AND REBATES

Supplementary measures to stimulate the Ontario economy were announced on November 13, 1980 by The Honourable Frank S. Miller, Treasurer of Ontario.

A temporary retail sales tax program will exempt purchases of certain items of building materials, major appliances, furniture and, in addition, provide for a rebate of the retail sales tax paid on purchases of light trucks and vans.

The existing temporary exemptions for transient accommodation, American plan charges, restaurant kitchen equipment and furnishings for lodging and restaurant establishments are extended to December 31, 1981.

Further information on these retail sales tax measures and copies of rebate application forms may be obtained from your local Retail Sales Tax District Office listed on page 4.

HIGHLIGHTS

- EXISTING TEMPORARY EXEMPTIONS EXTENDED TO DECEMBER 31, 1981
(Transient Accommodation, American Plan Charges, Restaurant Kitchen Equipment and Furnishings for Lodging and Restaurant Establishments)
- TEMPORARY EXEMPTION – BUILDING MATERIALS FOR HOMES AND APARTMENTS
- TEMPORARY TAX REBATE PROGRAM FOR LIGHT TRUCKS AND VANS
- TEMPORARY EXEMPTION – NEW MAJOR HOUSEHOLD APPLIANCES
- TEMPORARY EXEMPTION – NEW HOUSEHOLD FURNITURE



EXISTING TEMPORARY EXEMPTIONS EXTENDED TO DECEMBER 31, 1981

Existing temporary exemption programs that were due to expire on March 31, 1981, are extended to December 31, 1981.

The new expiry date of December 31, 1981 will apply to the following temporary exemption programs:

- Transient Accommodation and American Plan Charges
- Restaurant Kitchen Equipment
- Furnishings for Lodging and Restaurant Establishments.

With the exception of the expiry date, the details of these programs will remain unchanged.



TEMPORARY EXEMPTION – BUILDING MATERIALS FOR HOMES AND APARTMENTS

As a temporary measure, the 7% tax on purchases of certain building materials is removed. Retail sales tax will not be added to charges for such building materials provided that:

- the purchase arrangements for the building materials are made on or before June 30, 1981; and
- the building materials are delivered to the purchaser in the period November 14, 1980 to June 30, 1981, inclusive.

The following building materials, which are used for constructing and renovating homes and apartments, are eligible for the exemption:

<i>Description</i>	<i>Commentary</i>
Bathtubs and Shower Stalls, Bathroom Toilets and Bidets	Includes tub enclosure doors but does not include shower curtains, railings or those tubs commonly known as "hot tubs" and any related faucets or hardware.
Clay Bricks	The exemption includes interlocking clay bricks for sidewalks, walkways, driveways, patios and similar applications but does not include fire bricks, blocks, finished stone or bricks other than clay bricks.
Cabinets— Kitchen and Bathroom	Includes vanities and counter tops used in kitchens and bathrooms and cabinet units for attachment to room walls.
Doors	Includes wood, metal or glass doors, turning on hinges or sliding but not any related hardware or vault doors.
Framing — Doors and Windows	Metal or wood structures for supporting doors and windows of a building.
Lumber	Includes rough or finished planks, boards, timber, plywood, chipboard, particle board, hardboard, but does not include finished hardwood flooring.
Panelling — Wall or Ceiling	Used as sections of walls or ceilings including drywall, sheathing, splashboards, plywood, but not metal panelling.
Plaster and Lime	Used in coating walls, ceilings and partitions of a building.
Roofing Materials	Includes roofing felt and roofing paper, slate, tile, shingles, eavestroughs, downspouts, soffits, fascia, but not nails and vents.
Siding	Includes materials used as an exterior wall covering except items made of cement, e.g., stucco and pre-cast concrete slabs.
Sinks	Used in kitchens, bathrooms and laundry rooms.
Tiles — Drainage and Roofing	Tiles used for any purpose other than drainage and roofing are taxable, e.g., acoustic tiles, floor tiles.
Trim — Wood and Vinyl	Such as moldings applied around openings (window trim, door trim) or at the floor and ceiling of rooms (baseboard, cornice).

All other building materials not specifically mentioned in the above list remain taxable, unless there is a provision for exemption in The Retail Sales Tax Act.



TEMPORARY TAX REBATE PROGRAM FOR NEW LIGHT TRUCKS AND VANS

As a temporary measure, the 7% tax paid on eligible new light trucks and vans delivered within a specified period will be rebated to purchasers on the basis of an application submitted to the Retail Sales Tax Branch of the Ministry of Revenue. The rebate will not exceed \$700 for each vehicle.

VEHICLES ELIGIBLE FOR REBATE

The rebate under this program applies to new light trucks and vans, if all the following conditions are met:

1. The new light truck or van must bear a manufacturer's plate or sticker showing the maximum Gross Vehicle Weight.
2. The new light truck or van is not rated by the manufacturer to be in excess of 4,100 kilograms (9,000 lbs. approximately) maximum Gross Vehicle Weight.
3. The new light truck or van was delivered in the period from November 14, 1980 to July 4, 1981, inclusive, pursuant to a written contract of purchase entered into on or before June 30, 1981.
4. The new light truck or van has never previously been sold, leased or rented by a dealer to a customer at a retail sale anywhere.

DEMONSTRATORS AND SERVICE VEHICLES

Automobile dealers and manufacturers make use of vehicles from their inventory for use as demonstrators and service vehicles. These vehicles are normally sold at a retail sale after a short period of use, and when sold, the purchaser qualifies for rebate if the vehicle is a light truck or van and other conditions of this program are met, and the vehicle has not been registered in any other name than that of the dealer or manufacturer.

PERSONS ELIGIBLE FOR THE REBATE

Any individual, partnership, corporation or organization will qualify for the rebate of tax under this program provided a properly completed application form covering an eligible truck or van is submitted to the Minister of Revenue on or before December 31, 1981.

PROCEDURE FOR APPLYING FOR REBATE

Dealers are in possession of application forms for this rebate program and may obtain additional copies on request from the local District Office of the Retail Sales Tax Branch. The application form specially designed for this program must be used.

At the time of delivery of the truck or van, the application form must be completed and certified by the signatures of both the dealer and customer.

The dealer is requested to mail the original to the Retail Sales Tax Branch and keep one copy for his records. The remaining copy should be given to the customer.

To expedite processing of claims please attach photocopies of vehicle registration and purchase agreement. If these documents are not provided, payment of claims may be delayed due to the additional verification that may be required.

If this procedure is followed, rebate cheques will be made payable and mailed directly to the purchaser. Payment of the rebate is not assignable.

Applications must be submitted to the Minister of Revenue on or before December 31, 1981.

VEHICLES NOT ELIGIBLE FOR REBATE

1. Light trucks and vans rated with a maximum Gross Vehicle Weight in excess of 4,100 kilograms (9,000 lbs. approximately).
2. Automobiles, station wagons, dune buggies, all-terrain vehicles, snowmobiles, motorcycles, mopeds and other similar vehicles.
3. Light trucks and vans not delivered to the purchaser in the period from November 14, 1980 to July 4, 1981, inclusive, or if the purchase did not result from a written contract entered into on or before June 30, 1981.
4. Any light truck or van previously registered in the name of a person other than the dealer or manufacturer of the vehicle.
5. Any light truck or van which had been previously used under a lease or rental arrangement, or had been previously sold at a retail sale.
6. Any light truck or van rented or leased to customers.
7. Any light truck or van on which a rebate of the tax paid had previously been made or any truck or van that is eligible for rebate under any other provision of The Retail Sales Tax Act.

ACCESSORIES AND OPTIONAL EQUIPMENT

Accessories and optional equipment such as radios, CB, fire extinguishers, special bodies, racks, camper tops, furniture, appliances, mechanical options and similar equipment must be purchased as part of the truck or van in order to qualify for this rebate.



TEMPORARY EXEMPTION – NEW MAJOR HOUSEHOLD APPLIANCES

As a temporary measure, the 7% tax on purchases of certain new major household appliances is removed. Retail sales tax will not be added to charges for such new major household appliances provided that:

- the purchase arrangements for the new major household appliances are made on or before June 30, 1981; and
- the new major household appliances are delivered to the purchaser in the period November 14, 1980 to June 30, 1981, inclusive.

The exemption applies to the following new major household appliances:

- Ranges, including built-in ovens and range top units for installation into counters but not microwave ovens or convection ovens
- Freezers
- Washing Machines (clothes)
- Refrigerators
- Clothes Dryers

The temporary exemption applies only to those electrical or gas operated appliances listed above that are designed for household use. The exemption does not apply to any repair parts nor to appliances designed for commercial or industrial use nor to any appliance rented or leased to customers.



TEMPORARY EXEMPTION – NEW FURNITURE FOR HOUSEHOLD USE

As a temporary measure, the 7% tax on purchases of certain items of new household furniture is removed. Retail sales tax will not be added to charges for such items of new household furniture provided that:

- the purchase arrangements for the items of new household furniture are made on or before June 30, 1981; and
- the items of new household furniture are delivered to the purchaser in the period November 14, 1980 to June 30, 1981, inclusive.

The items of furniture subject to the temporary exemption are those usually acquired to furnish a residential dwelling house. They also include furniture designed for lawn and patio use. Examples of eligible items of furniture are:

- beds
- cabinets
- counters – free standing
- mattresses and box springs
- bed springs
- chairs
- desks
- sofas
- bookcases
- chesterfields
- dressers
- stools
- buffets
- chests
- hutches
- tables

This temporary exemption does not apply to the following types or classes of household items:

- a) gas, oil or electrical appliances or accessories, lamps, home entertainment units, e.g., radios, televisions, etc., and fireplaces;
- b) floor-coverings and carpets;
- c) wall-coverings, draperies, curtains, blinds, and other similar goods and their accessories;
- d) works of art, handcrafts, trinkets, mirrors, pictures, clocks and objects used for decoration, recreation, games, or hobbies;
- e) musical instruments;
- f) upholstering and furniture repairs;
- g) used or leased furniture;
- h) office furniture and equipment

FOR FURTHER INFORMATION CONSULT THE DISTRICT OFFICE IN YOUR AREA,
AS LISTED BELOW:

BELLEVILLE K8N 1E3	208 Dundas Street East 962-9108 ZENITH 71820	ORILLIA L3V 6K5	19 Front Street North P.O. Box 670 325-9587 ZENITH 71830	TORONTO M4P 1H6	2300 Yonge Street 10th Floor 487-7161 ZENITH 71800
HAMILTON L8P 1B4	361 King Street West 528-8393 ZENITH 71440	OTTAWA K1H 8K7	1355 Bank Street 523-9760 ZENITH 71400	WELLAND L3B 3Z7	76 Division Street 732-1318 (In St. Catharines and Niagara Falls)
KITCHENER N2M 1N2	449 Belmont Avenue West 576-8400 ZENITH 71020	SUDBURY P3E 5P9	Ontario Government Building 199 Larch Street 675-4351 ZENITH 71850		688-1360 ZENITH 71410
LONDON N6C 4P4	310 Wellington Road 433-3901 ZENITH 62350	THUNDER BAY P7C 5G6	Ontario Government Building 435 James Street South P.O. Box 5000 475-1681	WINDSOR N9A 6V9	250 Windsor Avenue 252-4404 ZENITH 71450
NORTH BAY P1B 2H3	1500 Fisher Street Northgate Plaza 474-4900 ZENITH 71420 Toll Free 1-800-461-1564	Districts of Kenora Rainy River and Thunder Bay (In Dryden, Wabigoon and Oxdrift)	ZENITH 72310 ZENITH 62350		